



# WHY FI?

"Pay me now or pay me later"

# Agenda



- Who decides policy?
- What is infrastructure, really?
- Why create an ITC CEDS?
- What is an integrated solution?
- What policy recommendations came out of the ICT CEDS Report?
- Why WIFI is an affordable first step?

# ICT CEDS: A high ROI economic development tool



"Understanding the importance of digital infrastructure to a city's future economic growth begins with knowing which communities are lacking it and what can be done to alleviate the disparities."

--Darrene Hackler, from

*Report: ICT CEDS, March 2006*

# Who decides policy?



- Information is king. Whoever has the most decides policy.
- In most cities, telephone or Internet service providers are the 800 pound information gorillas
- They end up making policy “de facto”
- This can be expensive in terms of city income and its attractiveness to industry

# What is infrastructure, really?



- Traditional definition
- In the information age
  - Wireless
  - Fiber
  - The new digital divide

# Why create an ITC CEDS? (1)



- Informational
  - Identify all elements of information age infrastructure
  - Create standard/comparative measure for city's technical awareness and needs
- Economic Development
  - Serve the entire population
  - Entice industry
  - Bring high paying jobs
  - Enhance tax base

# Why create an ITC CEDS? (2)

## Three case studies of Municipal WIFI



- Final answer: creates high return on investment potential for communities

\* Assume one new business, grossing \$1 million, with 5% bottom line, 10 employees (who also receive free wireless connection under city investment

	None	I providr	City invst
Init investmt	0	0	55,000
Cost	60/mo	22/mo	0/300 once
12 mo bus cost	720	288	0/300
Taxes returned*			
Bus license	0	00	5,000
Bus income	0	0	10,000
Personal inc.	0	0	25,000
24 mo bus cost	1,440	576	0/300
24 mo taxes returned	0	0	80,000

# What is an integrated solution?



- Blends wireless and fiber to serve public and private information, communication, and entertainment needs
- Balances needs of
  - Infrastructure investment costs
  - Customer needs
  - Educational perspective
  - Municipal business process



# What policy recommendations came out of the ICT CEDS Report?



- New residential developments should include fiber optics
- County should pursue WiFi technologies
- Create a voucher system to aid low income populations/schools
- Align ICT corridors with transportation corridors
- Design and implement public and private incubation programs
- Coordinate community outreach and training

# What is an affordable first step?



- Decide to pay now, rather than later
- Look to traditional CDBG, city tax sources
- Engage EDA if possible
- Seek public/private grants

# Summary



- The information and communications infrastructure is a key to economic development
- The information and communications infrastructure is a business attractor and high wage job creator for communities
- Understanding the information and communications infrastructure empowers community policy-making